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TOTAL
QUALITY
MANAGEMENT

MASTER PLAN

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DEFENSE CONTRACT ADMINISTRATION SERVICES REGION LOS ANGELES

DEFENSE CONTRACT ADMINISTRATION SERVICES
REGION, LOS ANGELES

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13. ABSTRACT (Maximum 200 words)
This document contains the DCASR Los Angeles plan for implementation of TQM. It includes TQM concepts, methodology, strategy and milestones. DCASR Los Angeles describes its strategy in near-term, mid-term, and long-term stages.

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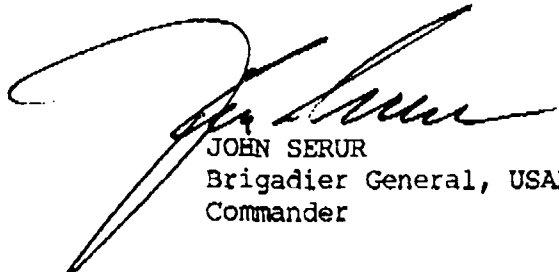| 17. SECURITY CLASSIFICATION OF REPORT	18. SECURITY CLASSIFICATION OF THIS PAGE	19. SECURITY CLASSIFICATION OF ABSTRACT	20. LIMITATION OF ABSTRACT
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A MESSAGE FROM THE COMMANDER ON TOTAL QUALITY MANAGEMENT

The Defense Logistics Agency is giving top priority to Total Quality Management (TQM), a management initiative for continuously improving performance and creating added value at every level of the organization. It involves every employee of DCASR Los Angeles in a unified effort directed at satisfying the goals and objectives of the Master Plan. DCASR Los Angeles fully endorses these objectives and adopts TQM as a strategy for achieving improved quality, productivity, and efficiency in everything we do.

TQM is a concept that is based on people – supervisors and employees, civilians, and contractors. It requires awareness, training, and a dedicated effort to refocus our attention from our current product/service verification orientation to an approach that continuously improves the processes by which our products/services are generated. The result of continuous process improvement is increased quality and customer satisfaction.

TQM is a top driven initiative; executive management will lead the effort. It cannot be delegated – – it is our job, not another "program" to be done by others. TQM supplements a number of ongoing productivity and quality initiatives already in use at DCASR Los Angeles, as well as many new thrusts. Over the next few years, each of us will be trained in the philosophy, concept and techniques of TQM.

TQM's dedication to process improvement increases quality and efficiency, lowers cost, shortens lead times, and increases customer satisfaction. It is a never-ending process that requires teamwork. I am confident that we, as members of the DCASR LA team, can and will make Total Quality Management a way of life.

JOHN SERUR
Brigadier General, USAF
Commander

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DCASR
Los Angeles
Statement of Purpose

We are an organization of people dedicated to providing responsive contract administration services to our customers. To accomplish this we strive for:

Understanding and satisfying the needs of our internal and external customers.

Creating an environment which encourages participation, personal growth, and pride in work.

The highest professional and ethical conduct with customers, contractors, and coworkers.

Continuous improvement in all we do.

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Summary of Concepts

Total Quality Management (TQM) in the Department of Defense (DoD) is a strategy for continuously improving performance at every level and in all areas of responsibility. It combines fundamental management techniques, existing improvement efforts and specialized technical tools under a disciplined structure focused on continuously improving all processes. Improved performance is directed at satisfying such broad goals as cost, quality, schedule, and mission need and suitability. Increasing user satisfaction is the overriding objective. The TQM effort builds on the pioneering work of Dr. W.E. Deming, Dr. J.H. Juran, and others, and benefits from both private and public sector experience with continuous process improvement.

The Defense Logistics Agency (DLA) fully supports DoDs initiatives for continuous improvement at every level. The DLA Master Plan serves as the foundation for the implementation of TQM within the Agency and as the basis for the Defense Contract Administration Services Region, Los Angeles (DCASR LA) Master Plan.

TQM implementation strategy aims at achieving one broad, unending objective: Continuous improvement of products and services. This objective spans the breadth of DCASR LA activities. "Product" means not only the weapons and systems fielded by military personnel but the result of all acquisition and logistics functions, including design, procurement, maintenance, supply, and support activities. Everything that DCASR LA does, every action that is taken, every system that exists, involves processes and products that can be improved or services that may be performed more efficiently. This concept applies to all products and services and affects everything DCASR LA does, produces, or procures. It demands commitment and professional discipline. It relies on people and involves everyone.

Throughout DCASR LA, there are a multitude of different tasks performed daily by members of our very talented work force. There is at least one customer for the efforts expended in the performance of every task.

Whether customers are coworkers, supervisors, organizations, buying activities or contractors, our customers expect, and deserve, the best we, individually and collectively, can provide. TQM embraces this important customer/supplier relationship by focusing attention on providing timely quality products and services in everything that we do. Contractors, also customers, deserve quality, on time services; e.g., inspection, payment. This customer/supplier relationship takes on an added dimension within our TQM implementation strategy. It requires that we know and thoroughly understand each of our customer's needs. Likewise, customers must understand the capabilities of the processes which we use to produce products or services. The TQM effort requires close customer/supplier relationships, and the flexibility to achieve continuous improvement.

People are our most important resource. The success of TQM necessitates the active involvement of each and every member of the DCASR LA family. Everyone is personally responsible for developing an attitude within the Region that encourages constructive change, identifies opportunity, and stimulates innovative ideas for continuous improvement.

Management is responsible for creating an environment which values all individuals and fosters the freedom and trust which allows open, honest communication and permits change. Individual contributions will be actively pursued in our endeavors to upgrade the quality of the products and services we buy and produce. Concurrently, management must strive to upgrade the quality of work life which will also contribute to an environment which fosters continuous improvement.

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KEY ELEMENTS

o REQUIRES COMMITMENT BY TOP MANAGEMENT

o CREATES AN ENVIRONMENT FOR CONTINOUS IMPROVEMENT

o SATISFIES CUSTOMER NEEDS

o UTILIZES STATISTICAL PROCESS CONTROL METHODS

o FOCUSES ON TEAM WORK

o INVOLVES EVERY INDIVIDUAL

o RECOGNIZES THE IMPORTANCE OF PEOPLE

DCASR LA TQM ORGANIZATION

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                    └─────────────────┘
                            │
        ┌──────────────────────┐     ┌──────────────────┐
        │       TQM            │     │   *  TQM         │
        │   EXECUTIVE          ├─────┤  Administrator   │
        │   STEERING           │     └──────────────────┘
        │   COMMITTEE          │
        └──────────────────────┘
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   ┌─────────┐          ┌─────────┐
   │  SLFAs  │          │  PSEs   │
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        │
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   │   SLFAs      │
   │  Steering    │
   │ Committees   │
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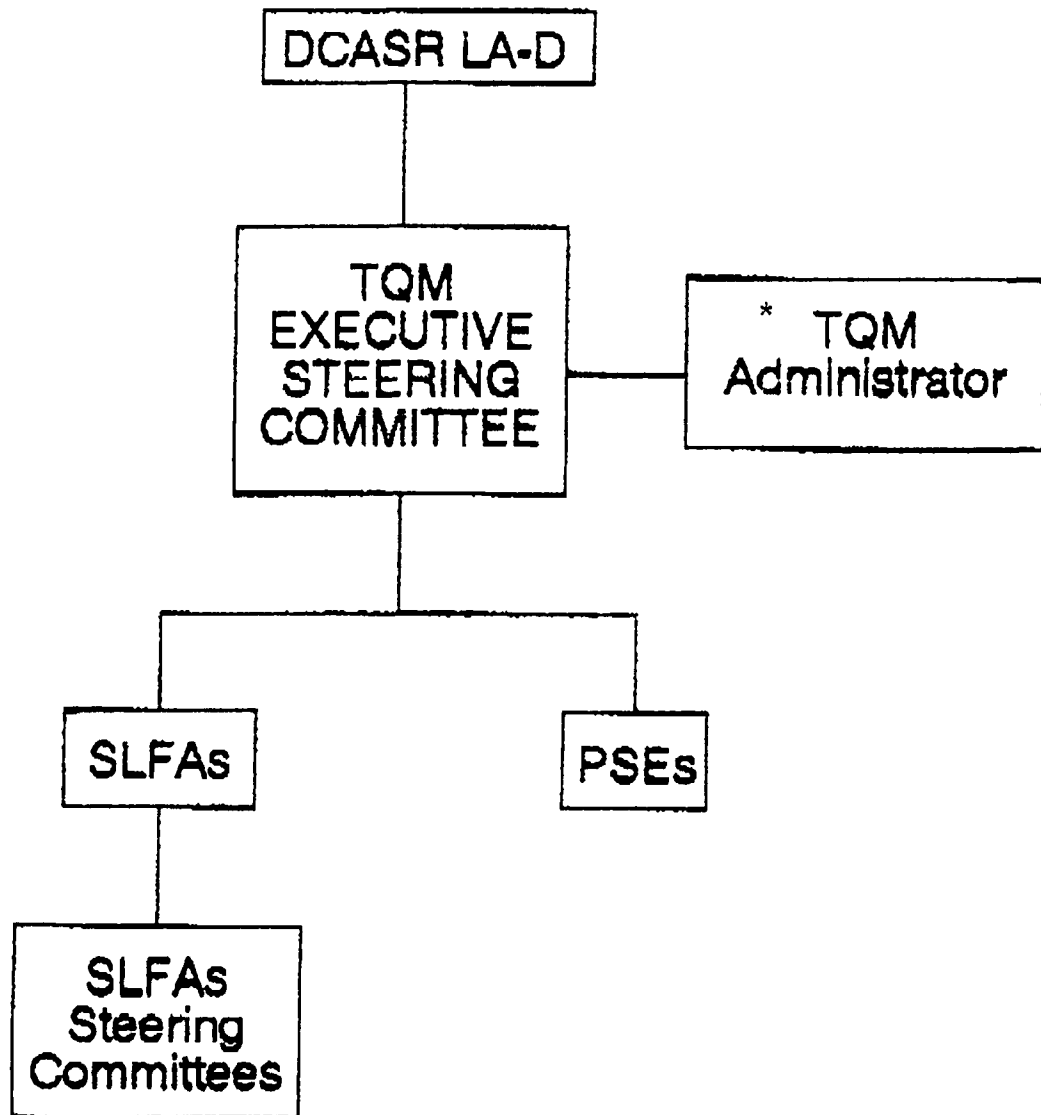
* Permanent organizational alignment to be determined.

DCASR LA TQM APPROACH

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        ┌─────────────────────────────────┐
        │ Executive Steering Committee    │
        └─────────────────────────────────┘
                        ↕
        ┌─────────────────────────────────┐
        │ Quality Management Board        │
        └─────────────────────────────────┘
         ↙        ↕        ↕        ↘
   ┌────────┐ ┌────────┐ ┌────────┐ ┌────────┐
   │ PAT*   │↔│  PAT   │↔│  PAT   │↔│  PAT   │
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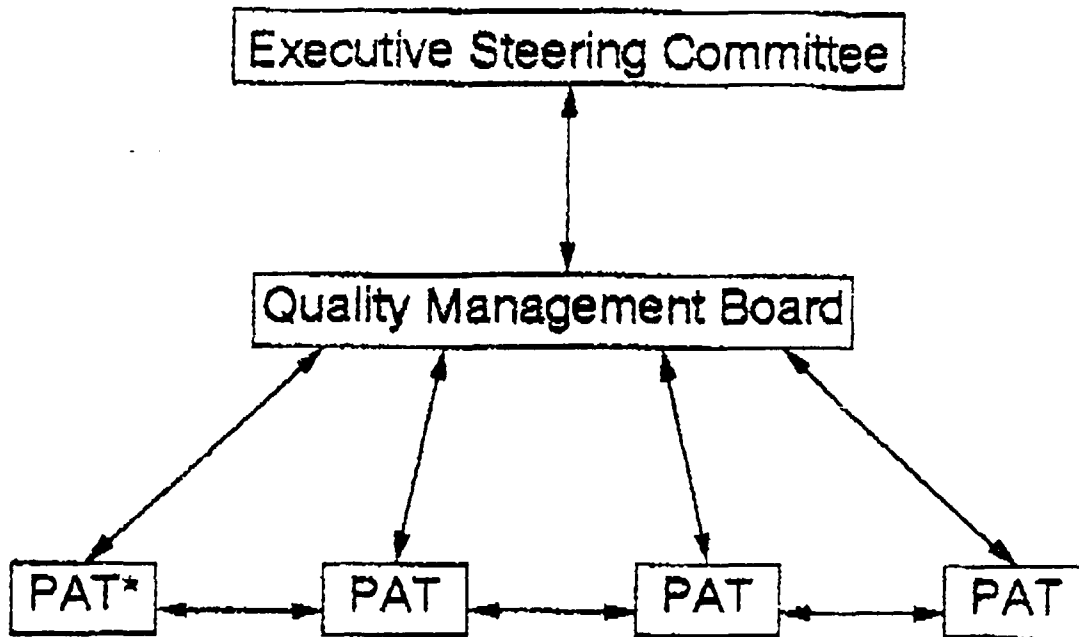
*Process Action Team

DCASR LA TQM ORGANIZATION

Implementation of Total Quality Management requires cooperation and coordination of all organizational levels. The following Region organizational structure is presented as a way to manage people in process improvement efforts. The structure consists of three levels: Executive Steering Committee (ESC), Quality Management Boards (QMB), and Process Action Teams (PAT). This structure will piggy back on the current organization to the maximum extent possible, i.e., be a Matrix Organization. Each DCASR LA Field Activity is authorized to have an ESC, QMBs and PATs at the local level.

EXECUTIVE STEERING COMMITTEE

Membership

The Executive Steering Committee represents the highest level of management and as such is made up of a number of top managers in the organization. For DCASR Los Angeles, the ESC will include the Commanding Officer as Chairperson, the Deputy Commander (Senior Civilian) as Deputy Chairperson, Directors of Office of Personnel, Office of Policy and Plans, Office of Installation Services, Office of Comptroller, Office of Telecommunications and Information Systems, Directorate of Contract Management, Directorate of Quality Assurance, Field Activity Commanders, President of DCASR LA Council of AFGE, and the Region TQM Administrator (non-voting).

Function

The ESC identifies strategic goals for organizational process improvement efforts. It obtains information from customers to identify major product and service requirements, develops TQM philosophy and policy, provides resources, prioritizes, and plans for the organization's future based on our constancy of purpose. At DCASR LA the ESC will fulfill these responsibilities by:

- Adapting DLA TQM goals for application at DCASR LA
- Developing TQM goals unique to DCASR LA
- Developing TQM implementation plan
- Establishing Region TQM policy
- Assisting in identifying, prioritizing, and recommending funding for training courses
- Establishing mutually beneficial relationships with contractors to facilitate TQM implementation
- Continually reviewing requirements within local control to assure compatibility with TQM philosophy
- Sharing information on other government/contractor TQM initiatives with the TQM Program Manager
- Publicizing TQM philosophy/plans within respective organizations
- Fostering spirit of cooperation between union and management
- Fostering cultural change within the Region through emphasis on:

a. Customer service
b. Continuous improvement
c. Process control
d. Education

QUALITY MANAGEMENT BOARD

Membership

Quality Management Boards are permanent cross-functional teams made up of top and mid-level managers who are jointly responsible for a specific product or service. The structure of the boards is intended to improve communication and cooperation by providing vertical and horizontal "links" throughout the organization. Although the members of QMBs are expected to be permanent, the chair and the focus of a specific QMB can shift, depending on the current product or service goal. During the formation of QMBs, it is crucial that the members selected have the knowledge and ability to relate the ESC's quality improvement goals to specific outputs and processes. The ESC appoints a chairperson of a specific QMB, who, in turn, selects the cross-functional team. A member of the ESC will always chair a QMB, to assure appropriate linkage.

Function

The QMB carries out the majority of process improvement activities. The QMB uses its combined knowledge to select the organizational areas that might have the most significant impact on the goals. The QMB works with the ESC to define indicators of quality improvement and cost reduction. The QMB organizes ad hoc Process Action Teams (PATs) that collect and analyze information about work processes. As the teams perform their work, the QMB conducts experiments to identify what common causes of variation appear to be most critical to process performance. Based on these causes, the QMB recommends or makes changes designed to improve process performance, as authorized by the ESC. The QMB tracks the performance of the process to determine the impact of the changes on the selected goals. Basically QMBs:

- Identify and select critical processes
- Break down functional barriers
- Develop plans for improvement
- Facilitate data collection activities
- Provide decision and resource support to teams
- Implement and evaluate system changes

PROCESS ACTION TEAM

Membership

Process Action Teams or PATs are compromised of workers involved in the processes being investigated by the QMBs. The members of a PAT are chosen by their respective managers on the QMBs. The primary consideration for PAT membership is that the individuals selected work most directly with and are highly knowledgeable about the process in question.

Function

The main function of PATs is to collect and summarize process data for QMBs. A major task of a PAT is to collect baseline information on process performance. PATs use basic process analysis tools (e.g., flowcharting, cause/effect, histogram, etc.) and statistical methods to analyze a process and identify potential areas for improvement. It is important to note that PATs and, by extension, the entire TQM organizational structure are only of use when dealing with quality goals that can be achieved by using objective data. Basically PATs:

- Collect/collate/analyze data
- Highlight problems
- Correct special causes
- Identify areas for improvement
- Make recommendations
- Terminate after problem resolution

TQM ADMINISTRATOR

Description

The TQM Administrator is the Commander's focal point for all TQM matters and serves as a non voting advisor to the Executive Steering Committee. This person must demonstrate leadership abilities and have or obtain the emerging skills of a TQM facilitator. These skills include teambuilding, communication, problem-solving techniques, process analysis, and statistics to name a few.

Function

The TQM Administrator should represent the Commander and the ESC in fulfilling the following responsibilities:

- Establish a leadership role in promoting the new philosophy
- Assist the ESC in developing TQM teamwork skills
- Working within existing training program to identify and develop education and training requirements in TQM
- Coordinate and communicate ESC initiatives in implementing TQM throughout the Command
- Review and recommend policy and procedure additions, deletions, and changes to DCASR LA and DLA draft directives and initiatives to assure compliance with TQM principles
- Recommend TQM budget requirements to ESC
- Establish TQM network within and without the Region
- Establish TQM library and files

DCASR LA Strategy

Successful implementation of TQM requires a disciplined, structured approach that will lead ultimately to a shift in our corporate culture. This is, of necessity, an initiative that will take many years to accomplish fully. Accordingly, implementation will occur in three phases: near term; mid-term; long term. It is anticipated that functional areas will move at different rates, progressing through these phases on schedules tailored to specific functional needs. Careful planning and execution will be needed to ensure optimization of total Region performance, especially for those systems that overlap or cross existing functional organizational structures. The following stages are on going, not necessarily sequential, and may overlap at times.

a. Near term. Our objective in the near term is to capitalize on existing efforts already underway and to initiate TQM in all functional areas. Efforts will focus on educating and training Region senior and mid-level managers, facilitators, and supervisors/employees in a time-phased, four-tiered approach that introduces TQM philosophy, objectives, goals, statistical process control (SPC) techniques as appropriate. We will concentrate on establishing a documented baseline for key processes and bringing those processes into statistical control as an essential step before process capabilities can be accurately determined. Designated employees will be trained in SPC techniques. Special emphasis will be placed on identifying process customers (both internal and external) and establishing feedback mechanisms for determining customer needs and satisfaction.

b. Mid term. TQM efforts will be expanded in all areas and institutionalized. During this period, all processes (administrative, logistical, support services) will be brought into statistical control, and capabilities determined. SPC techniques will be expanded to major vendors, and initial efforts will be made to introduce TQM, to include SPC techniques, to critical suppliers and vendors.

c. Long term. Efforts will focus on reinforcing the institutionalization and refinement of TQM efforts throughout all Region functions. Periodic training in SPC techniques and more advanced statistical techniques will be conducted for selected individuals and/or new employees and all supervisors. TQM will be fully extended to major vendor bases and incorporated in contractual documents. All processes and systems will be monitored for continuous improvement and assessment of value added. TQM will be considered to be impleme.ted when the corporate culture has accepted the underlying man/c ial philosophy that it has truly become our way of life. TQM efforts wi.. .,er be completed - - continuous improvements will always be pursued. TQM status will be independently evaluated annually and results incorporated into th QM plan which is a dynamic, living document.

MILESTONES FOR DCASR LA'S TQM EXECUTION PLAN

			CY 1988				CY 1989				CY 1990				CY 1991				CY 1992				CY 1993			
			1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
1.		ORGANIZATION																									
1.A.	-D	ESTABLISH EXECUTIVE STEERING COMMITTEE (ESC)					▓																			
1.B.	ESC	ESTABLISH PERMANENT TQM ADMINISTRATOR							O																	
2.		EDUCATION/TRAINING																									
2.A.	PSEs/FAs	DEMING SEMINAR FOR DIRECTOR'S/FIELD COMMANDERS				▓																					
2.B.	-KM	NPRDC COURSE FOR REGION DEPUTY/ACTING TQM ADMIN					▓																				
2.C.	-KM	NPRDC COURSE FOR KEY PERSONNEL							O																		
2.D.	-L	EMPLOYEE ORIENTATION TRAINING				●	═	═	═	═	═	═	═	═	═	═	═	═	═	═	═	═	═	═	═	═	═
2.E.	-L	DLA TQM FACILITATOR COURSE						O																			
2.F.	-KM	FACILITATOR TRAINING																				O	═	═	═	═	═

LEGEND:

O SCHEDULED START   ■ SCHEDULED COMPLETION   ● STARTED   ▓ COMPLETED   === ON-GOING PROCESS

MILESTONES FOR DCASR LA'S TQM EXECUTION PLAN

		CY 1988				CY 1989				CY 1990				CY 1991				CY 1992				CY 1993			
		1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
2.C.	-KW DEVELOP FOLLOW-ON TRAINING PLAN									O========															
3.	PROCESS REVIEWS/IMPROVEMENT INITIATIVES																								
3.A.	ESC IDENTIFY REGION-WIDE REVIEWS								O====																
3.B.	ESC ASSIGN QMBs								O====																
3.C.	ESC MONITOR QMB PROGRESS								O====																
3.D.	QMB COMMENCE INITIAL PROCESS REVIEWS									O========														
4.	INDUSTRY AWARENESS																								
4.A.	PSEs/FAs DETERMINE CONTRACTORS INVOLVED IN TQM					●=====																			
4.B.	PSEs/FAs PURSUE CONTRACTOR COOPERATION IMPLEMENTING TQM					●=====																			

LEGEND:

O SCHEDULED START   * SCHEDULED COMPLETION   ● STARTED   ■ COMPLETED   === ON-GOING PROCESS

MILESTONES FOR DCASR LA'S TQM EXECUTION PLAN

			CY 1988				CY 1989				CY 1990				CY 1991				CY 1992				CY 1993			
			1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
4.C.	PSEs/FAs	ENCOURAGE TQM AWARENESS W/SMALL BUSINESS									O	=	=	=	=	=	=	=	=	=	=	=	=	=	=	=
4.D.	PSEs/FAs	FOSTER VISITS INVOLVING BUYING OFFICES									O	=	=	=	=	=	=	=	=	=	=	=	=	=	=	=
4.E.	PSEs/FAs	PURSUE JOINT GOVERNMENT/INDUSTRY ADVISORY COUNCIL					●	=	=	=	=	=	=	=	=	=	=	=	=	=	=	=	=	=	=	=
4.F.	PSEs/FAs	CREATE TQM LIBRARY AND USER NETWORK									O	=	=	=	=	=	=	=	=	=	=	=	=	=	=	=
5.	QMB	INTEGRATE EXISTING INITIATIVES																								
5.A.	QMB	IDENTIFY CURRENT LOCAL INITIATIVES								O																
5.B.	QMB	PRIORITIZE LIST FOR RESEARCH AND ANALYSES								O																
5.C.	PSE	PRIORITIZE/ASSIGN RESEARCH AND ANALYSES TASKS								O																
5.D.	PSE	RESEARCH AND ANALYSES											O													
5.E.	PSE	INTEGRATION																O								

LEGEND:

O SCHEDULED START   ■ SCHEDULED COMPLETION   ● STARTED   █ COMPLETED   === ON-GOING PROCESS

MILESTONES FOR DCASR LA'S TQM EXECUTION PLAN

		CY 1988				CY 1989				CY 1990				CY 1991				CY 1992				CY 1993			
		1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
6.	DIRECTIVE/REGULATORY REVIEW																								
6.A.	REVIEW REGS/STAFF INSTRUCTIONS/SOPs *PSEs/SS FAs					O=======																			
6.B.	REWRITE AS NECESSARY PSEs/SS					O=======																			
6.C.	COORDINATE WITH AFFECTED ORGANIZATIONS/AFGE OPI/-W -WXA						O=======																		
6.D.	FINALIZE -WX/-WXA						O=======																		
6.E.	PRINT -WXP						O=======																		
6.F.	DISTRIBUTE -WIS						O=======																		

LEGEND:

O SCHEDULED START   ■ SCHEDULED COMPLETION   ● STARTED   ■ COMPLETED   === ON-GOING PROCESS

* ACTUAL START DEPENDENT UPON COMPLETION OF TQM ORIENTATION TRAINING

TERMS

Flow Charting – A diagram that shows all the major steps of a process.

Histogram – A bar graph displaying a frequency distribution of actual factors.

Process – A systematic approach to accomplishing a specific task.

Process Improvement Cycle – An analystical method for improving processes. The improvement cycle consists of: identification and definition of the processes by which work is accomplished, identification of relevant measurement points, identification and priortization of opportunities for improvement, implementation of the best solutions and monitoring of effectiveness.

Productivity – The efficiency with which resources are used to produce a government service or product at special levels of quality and timeliness.

Scatter Diagram – A diagram often used to check the strength of the possible "cause-and-effect" relationships.

Statistical Process Control – A measurement method used for assessing the performance of processes.

Total Quality Management – A strategy for continuously improving performance at every level and in all areas of responsibility.

Quality – the extent to which a product or service meets customer requirements and is fit for use.